

BANKING IN FRANCE.

YHAR.	MRAN CIRCULATION.	MEAN METALLIC KKSERVH.	TOTAL DISCOUNTS.	MEAN DISCOUNT RATE.
(In millions of francs)				
1898	3,742.0	3,023.9	11,032.0	2.20
1900	4,034.1	3,433.8	12,247.5	3.23
1902	4,162.0	3,650.3	9*555.8	3.00
1903	4,310.0	3,486.0	11,684.9	3.00
1904	4,283.6	3,771.4	10,834.3	3.00
1905	4,408.2	3,975.6	10,967.5	3.00
1906	4,658.8	3,727.4	13,980.8	3.00
1907	4,800.4	3*615.3	15,769.1	3.45

The discount policy of the Bank of France has been as conservative as its administrative policy. While the average rate has been very close to that of the Bank of England, or about 3.60 per cent, from 1844 to 1900, the changes have been much less frequent and advances in the rate have been much less radical in periods of stringency. During the period from 1844 to 1900, the Bank of England altered its rate four hundred times; the Bank of France altered its rate in times. Nor has the tendency of recent years been less favorable to the conservatism of the French bank. From 1890 to 1900 inclusive, the changes at the English institution were sixty-six; at the French, nine.¹ During the earlier years of the history of the French bank, from January 13, 1820, to January 14, 1847, the rate was kept uniformly at four per cent. In more recent years, the rates fixed on May 19, 1892,—two and a half per cent, for commercial discounts and three and a half per cent, for advances on securities,—remained for nearly three years unchanged, when they were reduced on March 14, 1895, to two and a half per cent. There were changes resulting from the South African War in 1898, which carried the rate for discounts as high as four and a half per cent, for very brief intervals in 1899 and 1900, but on May 25, 1900, the rate for discounts was fixed at three per cent, and for advances at three and a half per cent. These rates remained unchanged